

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1070

FINAL READING

Introduced by Adams, 24.

Read first time January 21, 2010

Committee: Education

A BILL

1 FOR AN ACT relating to education; to amend sections 70-651.04,
2 77-1736.06, 77-3442, 79-527, 79-1007.05, 79-1036,
3 79-1242, 79-2111, 79-2112, and 79-2115, Reissue Revised
4 Statutes of Nebraska, and sections 32-546.01, 79-528,
5 79-1073, 79-1073.01, 79-1241.03, 79-2104, and 79-2110,
6 Revised Statutes Supplement, 2009; to change provisions
7 relating to expense reimbursement for members of learning
8 community coordinating councils, learning community tax
9 levies, distribution of tax proceeds, school reporting,
10 educational service unit funding, focus schools, focus
11 programs, magnet schools, and elementary learning
12 centers; to provide for use of certain funds received
13 by learning communities as prescribed; to harmonize

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1 provisions; to provide a duty for the Revisor of
2 Statutes; to repeal the original sections; and to declare
3 an emergency.
4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 32-546.01, Revised Statutes
2 Supplement, 2009, is amended to read:

3 32-546.01 (1) Each learning community shall be governed
4 by a learning community coordinating council consisting of eighteen
5 voting members, with twelve members elected on a nonpartisan ballot
6 from six numbered subcouncil districts created pursuant to section
7 32-555.01 and with six members appointed from such subcouncil
8 districts pursuant to this section. Each voter shall be allowed
9 to cast votes for one candidate at both the primary and general
10 elections to represent the subcouncil district in which the voter
11 resides. The four candidates receiving the most votes at the
12 primary election shall advance to the general election. The two
13 candidates receiving the most votes at the general election shall
14 be elected. A candidate shall reside in the subcouncil district for
15 which he or she is a candidate. Coordinating council members shall
16 be elected on the nonpartisan ballot.

17 (2) The initial elected members shall be nominated at
18 the statewide primary election and elected at the statewide
19 general election immediately following the certification of the
20 establishment of the learning community, and subsequent members
21 shall be nominated at subsequent statewide primary elections
22 and elected at subsequent statewide general elections. Except
23 as provided in this section, such elections shall be conducted
24 pursuant to the Election Act.

25 (3) Vacancies in office for elected members shall occur

1 as set forth in section 32-560. Whenever any such vacancy occurs,
2 the remaining elected members of such council shall appoint an
3 individual residing within the geographical boundaries of the
4 subcouncil district for the balance of the unexpired term.

5 (4) Members elected to represent odd-numbered districts
6 in the first election for the learning community coordinating
7 council shall be elected for two-year terms. Members elected
8 to represent even-numbered districts in the first election for
9 the learning community coordinating council shall be elected for
10 four-year terms. Members elected in subsequent elections shall be
11 elected for four-year terms and until their successors are elected
12 and qualified.

13 (5) The appointed members shall be appointed in November
14 of each even-numbered year after the general election. Appointed
15 members shall be school board members of school districts in the
16 learning community either elected to take office the following
17 January or continuing their current term of office for the
18 following two years. For learning communities to be established
19 the following January pursuant to orders issued pursuant to section
20 79-2102, the Secretary of State shall hold a meeting of the school
21 board members of the school districts in such learning community to
22 appoint one member from such school boards to represent each of the
23 subcouncil districts on the coordinating council of such learning
24 community. For subsequent appointments, the current appointed
25 members of the coordinating council shall hold a meeting of

1 the school board members of such school districts to appoint one
2 member from such school boards to represent each of the subcouncil
3 districts on the coordinating council of the learning community.
4 The appointed members shall be selected by the school board members
5 of the school districts in the learning community who reside in the
6 subcouncil district to be represented pursuant to a secret ballot,
7 shall reside in the subcouncil district to be represented, and
8 shall be appointed for two-year terms and until their successors
9 are appointed and qualified.

10 (6) Vacancies in office for appointed members shall occur
11 upon the resignation, death, or disqualification from office of
12 an appointed member. Disqualification from office shall include
13 ceasing membership on the school board for which membership
14 qualified the member for the appointment to the learning community
15 coordinating council or ceasing to reside in the subcouncil
16 district represented by such member of the learning community
17 coordinating council. Whenever such vacancy occurs, the remaining
18 appointed members shall hold a meeting of the school board members
19 of the school districts in such learning community to appoint a
20 member from such school boards who lives in the subcouncil district
21 to be represented to serve for the balance of the unexpired term.

22 (7) Each learning community coordinating council shall
23 also have a nonvoting member from each member school district which
24 does not have either an elected or an appointed member who resides
25 in the school district on the council. Such nonvoting members

1 shall be appointed by the school board of the school district
2 to be represented to serve for two-year terms, and notice of the
3 nonvoting member selected shall be submitted to the Secretary of
4 State by such board prior to December 31 of each even-numbered
5 year. Each such nonvoting member shall be a resident of the
6 appointing school district and shall not be a school administrator
7 employed by such school district. Whenever a vacancy occurs, the
8 school board of such school district shall appoint a new nonvoting
9 member and submit notice to the Secretary of State and to the
10 learning community coordinating council.

11 (8) Members of a learning community coordinating council
12 shall take office on the first Thursday after the first Tuesday
13 in January following their election or appointment, except that
14 members appointed to fill vacancies shall take office immediately
15 following administration of the oath of office. Each voting member
16 shall be paid a per diem in an amount determined by such council up
17 to two hundred dollars per day for official meetings of the council
18 and the achievement subcouncil for which he or she is a member,
19 up to a maximum of twelve thousand dollars per fiscal year, and
20 shall be eligible for reimbursement of reasonable expenses related
21 to service on the learning community coordinating council. Each
22 nonvoting member shall be eligible for reimbursement of reasonable
23 expenses related to service on the learning community coordinating
24 council.

25 Sec. 2. Section 70-651.04, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 70-651.04 All payments which are based on retail revenue
3 from each incorporated city or village shall be divided and
4 distributed by the county treasurer to that city or village, to the
5 school districts located in that city or village, to any learning
6 community located in that city or village, and to the county in
7 which may be located any such incorporated city or village in
8 the proportion that their respective property tax levies in the
9 preceding year bore to the total of such levies, except that the
10 only learning community levies to be included are the common levies
11 for which the proceeds are distributed to member school districts
12 pursuant to sections 79-1073 and 79-1073.01.

13 Sec. 3. Section 77-1736.06, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 77-1736.06 The following procedure shall apply when
16 making a property tax refund:

17 (1) Within thirty days of the entry of a final
18 nonappealable order, an unprotested determination of a county
19 assessor, an unappealed decision of a county board of equalization,
20 or other final action requiring a refund of real or personal
21 property taxes paid or, for property valued by the state, within
22 thirty days of a recertification of value by the Property Tax
23 Administrator pursuant to section 77-1775 or 77-1775.01, the
24 county assessor shall determine the amount of refund due the
25 person entitled to the refund, certify that amount to the county

1 treasurer, and send a copy of such certification to the person
2 entitled to the refund. Within thirty days from the date the county
3 assessor certifies the amount of the refund, the county treasurer
4 shall notify each political subdivision, including any school
5 district receiving a distribution pursuant to section 79-1073 or
6 79-1073.01, of its respective share of the refund, except that
7 for any political subdivision whose share of the refund is two
8 hundred dollars or less, the county board may waive this notice
9 requirement. Notification shall be by first-class mail, postage
10 prepaid, to the last-known address of record of the political
11 subdivision. The county treasurer shall pay the refund from funds
12 in his or her possession belonging to any political subdivision,
13 including any school district receiving a distribution pursuant to
14 section 79-1073 or 79-1073.01, which received any part of the tax
15 or penalty being refunded. If sufficient funds are not available
16 or the political subdivision, within thirty days of the mailing of
17 the notice by the county treasurer if applicable, certifies to the
18 county treasurer that a hardship would result and create a serious
19 interference with its governmental functions if the refund of the
20 tax or penalty is paid, the county treasurer shall register the
21 refund or portion thereof which remains unpaid as a claim against
22 such political subdivision and shall issue the person entitled
23 to the refund a receipt for the registration of the claim. The
24 certification by a political subdivision declaring a hardship shall
25 be binding upon the county treasurer;

1 (2) The refund of a tax or penalty or the receipt for
2 the registration of a claim made or issued pursuant to this section
3 shall be satisfied in full as soon as practicable and in no event
4 later than five years from the date the final order or other action
5 approving a refund is entered. The governing body of the political
6 subdivision shall make provisions in its budget for the amount of
7 any refund or claim to be satisfied pursuant to this section. If a
8 receipt for the registration of a claim is given:

9 (a) Such receipt shall be applied to satisfy any tax
10 levied or assessed by that political subdivision next falling due
11 from the person holding the receipt after the sixth next succeeding
12 levy is made on behalf of the political subdivision following the
13 final order or other action approving the refund; and

14 (b) To the extent the amount of such receipt exceeds
15 the amount of such tax liability, the unsatisfied balance of the
16 receipt shall be paid and satisfied within the five-year period
17 prescribed in this ~~subsection~~ subdivision from a combination of
18 a credit against taxes anticipated to be due to the political
19 subdivision during such period and cash payment from any funds
20 expected to accrue to the political subdivision pursuant to a
21 written plan to be filed by the political subdivision with the
22 county treasurer no later than thirty days after the claim against
23 the political subdivision is first reduced by operation of a credit
24 against taxes due to such political subdivision.

25 If a political subdivision fails to fully satisfy the

1 refund or claim prior to the sixth next succeeding levy following
2 the entry of a final nonappealable order or other action approving
3 a refund, interest shall accrue on the unpaid balance commencing on
4 the sixth next succeeding levy following such entry or action at
5 the rate set forth in section 45-103;

6 (3) The county treasurer shall mail the refund or the
7 receipt by first-class mail, postage prepaid, to the last-known
8 address of the person entitled thereto. Multiple refunds to the
9 same person may be combined into one refund or credit. If a refund
10 is not claimed by June 1 of the year following the year of mailing,
11 the refund shall be canceled and the resultant amount credited to
12 the various funds originally charged;

13 (4) When the refund involves property valued by the
14 state, the Tax Commissioner shall be authorized to negotiate a
15 settlement of the amount of the refund or claim due pursuant to
16 this section on behalf of the political subdivision from which
17 such refund or claim is due. Any political subdivision which does
18 not agree with the settlement terms as negotiated may reject such
19 terms, and the refund or claim due from the political subdivision
20 then shall be satisfied as set forth in this section as if no such
21 negotiation had occurred;

22 (5) In the event that the Legislature appropriates state
23 funds to be disbursed for the purposes of satisfying all or any
24 portion of any refund or claim, the Tax Commissioner shall order
25 the county treasurer to disburse such refund amounts directly to

1 the persons entitled to the refund in partial or total satisfaction
2 of such persons' claims. The county treasurer shall disburse such
3 amounts within forty-five days after receipt thereof; and

4 (6) If all or any portion of the refund is reduced by
5 way of settlement or forgiveness by the person entitled to the
6 refund, the proportionate amount of the refund that was paid by
7 an appropriation of state funds shall be reimbursed by the county
8 treasurer to the State Treasurer within forty-five days after
9 receipt of the settlement agreement or receipt of the forgiven
10 refund. The amount so reimbursed shall be credited to the General
11 Fund.

12 Sec. 4. Section 77-3442, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 77-3442 (1) Property tax levies for the support of local
15 governments for fiscal years beginning on or after July 1, 1998,
16 shall be limited to the amounts set forth in this section except as
17 provided in section 77-3444.

18 (2)(a) Except as provided in subdivision (2)(e) of this
19 section, school districts and multiple-district school systems,
20 except learning communities and school districts that are members
21 of learning communities, may levy a maximum levy of one dollar and
22 five cents per one hundred dollars of taxable valuation of property
23 subject to the levy.

24 (b) For each fiscal year, learning communities may levy
25 a maximum levy for the general fund budgets of member school

1 districts of ninety-five cents per one hundred dollars of taxable
2 valuation of property subject to the levy. The proceeds from the
3 levy pursuant to this subdivision shall be distributed pursuant to
4 section 79-1073.

5 (c) Except as provided in subdivision (2)(e) of this
6 section, for each fiscal year, school districts that are members
7 of learning communities may levy for purposes of such districts'
8 general fund budget and special building funds a maximum combined
9 levy of the difference of one dollar and five cents on each one
10 hundred dollars of taxable property subject to the levy minus
11 the learning community levies pursuant to subdivisions (2)(b) and
12 (2)(g) of this section for such learning community.

13 (d) Excluded from the limitations in subdivisions (2)(a)
14 and (2)(c) of this section are amounts levied to pay for
15 sums agreed to be paid by a school district to certificated
16 employees in exchange for a voluntary termination of employment
17 and amounts levied to pay for special building funds and sinking
18 funds established for projects commenced prior to April 1, 1996,
19 for construction, expansion, or alteration of school district
20 buildings. For purposes of this subsection, commenced means any
21 action taken by the school board on the record which commits
22 the board to expend district funds in planning, constructing, or
23 carrying out the project.

24 (e) Federal aid school districts may exceed the maximum
25 levy prescribed by subdivision (2)(a) or (2)(c) of this section

1 only to the extent necessary to qualify to receive federal aid
2 pursuant to Title VIII of Public Law 103-382, as such title existed
3 on September 1, 2001. For purposes of this subdivision, federal
4 aid school district means any school district which receives ten
5 percent or more of the revenue for its general fund budget from
6 federal government sources pursuant to Title VIII of Public Law
7 103-382, as such title existed on September 1, 2001.

8 (f) For school fiscal year 2002-03 through school fiscal
9 year 2007-08, school districts and multiple-district school systems
10 may, upon a three-fourths majority vote of the school board of
11 the school district, the board of the unified system, or the
12 school board of the high school district of the multiple-district
13 school system that is not a unified system, exceed the maximum
14 levy prescribed by subdivision (2)(a) of this section in an amount
15 equal to the net difference between the amount of state aid that
16 would have been provided under the Tax Equity and Educational
17 Opportunities Support Act without the temporary aid adjustment
18 factor as defined in section 79-1003 for the ensuing school fiscal
19 year for the school district or multiple-district school system
20 and the amount provided with the temporary aid adjustment factor.
21 The State Department of Education shall certify to the school
22 districts and multiple-district school systems the amount by which
23 the maximum levy may be exceeded for the next school fiscal year
24 pursuant to this subdivision (f) of this subsection on or before
25 February 15 for school fiscal years 2004-05 through 2007-08.

1 (g) For each fiscal year, learning communities may levy a
2 maximum levy of two cents on each one hundred dollars of taxable
3 property subject to the levy for special building funds for member
4 school districts. The proceeds from the levy pursuant to this
5 subdivision shall be distributed pursuant to section 79-1073.01.

6 (h) For each fiscal year, learning communities may levy
7 a maximum levy of ~~five~~ two cents on each one hundred dollars of
8 taxable property subject to the levy for elementary learning center
9 facility leases, for remodeling of leased elementary learning
10 center facilities, and for up to fifty percent of the estimated
11 cost for focus school or program capital projects approved by
12 the learning community coordinating council pursuant to section
13 79-2111.

14 (i) For each fiscal year, learning communities may levy
15 a maximum levy of one cent on each one hundred dollars of
16 taxable property subject to the levy for elementary learning center
17 employees, for contracts with other entities or individuals who
18 are not employees of the learning community for elementary learning
19 center programs and services, and for pilot projects, except that
20 no more than ten percent of such levy may be used for elementary
21 learning center employees.

22 (3) Community colleges may levy a maximum levy calculated
23 pursuant to the Community College Foundation and Equalization Aid
24 Act on each one hundred dollars of taxable property subject to the
25 levy.

1 (4) (a) Natural resources districts may levy a maximum
2 levy of four and one-half cents per one hundred dollars of taxable
3 valuation of property subject to the levy.

4 (b) Natural resources districts shall also have the power
5 and authority to levy a tax equal to the dollar amount by which
6 their restricted funds budgeted to administer and implement ground
7 water management activities and integrated management activities
8 under the Nebraska Ground Water Management and Protection Act
9 exceed their restricted funds budgeted to administer and implement
10 ground water management activities and integrated management
11 activities for FY2003-04, not to exceed one cent on each one
12 hundred dollars of taxable valuation annually on all of the taxable
13 property within the district.

14 (c) In addition, natural resources districts located in
15 a river basin, subbasin, or reach that has been determined to
16 be fully appropriated pursuant to section 46-714 or designated
17 as overappropriated pursuant to section 46-713 by the Department
18 of Natural Resources shall also have the power and authority to
19 levy a tax equal to the dollar amount by which their restricted
20 funds budgeted to administer and implement ground water management
21 activities and integrated management activities under the Nebraska
22 Ground Water Management and Protection Act exceed their restricted
23 funds budgeted to administer and implement ground water management
24 activities and integrated management activities for FY2005-06, not
25 to exceed three cents on each one hundred dollars of taxable

1 valuation on all of the taxable property within the district for
2 fiscal year 2006-07 and each fiscal year thereafter through fiscal
3 year 2011-12.

4 (5) Any educational service unit authorized to levy a
5 property tax pursuant to section 79-1225 may levy a maximum levy of
6 one and one-half cents per one hundred dollars of taxable valuation
7 of property subject to the levy.

8 (6)(a) Incorporated cities and villages which are not
9 within the boundaries of a municipal county may levy a maximum levy
10 of forty-five cents per one hundred dollars of taxable valuation
11 of property subject to the levy plus an additional five cents per
12 one hundred dollars of taxable valuation to provide financing for
13 the municipality's share of revenue required under an agreement
14 or agreements executed pursuant to the Interlocal Cooperation Act
15 or the Joint Public Agency Act. The maximum levy shall include
16 amounts levied to pay for sums to support a library pursuant
17 to section 51-201, museum pursuant to section 51-501, visiting
18 community nurse, home health nurse, or home health agency pursuant
19 to section 71-1637, or statue, memorial, or monument pursuant to
20 section 80-202.

21 (b) Incorporated cities and villages which are within the
22 boundaries of a municipal county may levy a maximum levy of ninety
23 cents per one hundred dollars of taxable valuation of property
24 subject to the levy. The maximum levy shall include amounts paid
25 to a municipal county for county services, amounts levied to pay

1 for sums to support a library pursuant to section 51-201, a museum
2 pursuant to section 51-501, a visiting community nurse, home health
3 nurse, or home health agency pursuant to section 71-1637, or a
4 statue, memorial, or monument pursuant to section 80-202.

5 (7) Sanitary and improvement districts which have been in
6 existence for more than five years may levy a maximum levy of forty
7 cents per one hundred dollars of taxable valuation of property
8 subject to the levy, and sanitary and improvement districts which
9 have been in existence for five years or less shall not have
10 a maximum levy. Unconsolidated sanitary and improvement districts
11 which have been in existence for more than five years and are
12 located in a municipal county may levy a maximum of eighty-five
13 cents per hundred dollars of taxable valuation of property subject
14 to the levy.

15 (8) Counties may levy or authorize a maximum levy of
16 fifty cents per one hundred dollars of taxable valuation of
17 property subject to the levy, except that five cents per one
18 hundred dollars of taxable valuation of property subject to the
19 levy may only be levied to provide financing for the county's
20 share of revenue required under an agreement or agreements executed
21 pursuant to the Interlocal Cooperation Act or the Joint Public
22 Agency Act. The maximum levy shall include amounts levied to pay
23 for sums to support a library pursuant to section 51-201 or museum
24 pursuant to section 51-501. The county may allocate up to fifteen
25 cents of its authority to other political subdivisions subject

1 to allocation of property tax authority under subsection (1) of
2 section 77-3443 and not specifically covered in this section to
3 levy taxes as authorized by law which do not collectively exceed
4 fifteen cents per one hundred dollars of taxable valuation on any
5 parcel or item of taxable property. The county may allocate to
6 one or more other political subdivisions subject to allocation
7 of property tax authority by the county under subsection (1) of
8 section 77-3443 some or all of the county's five cents per one
9 hundred dollars of valuation authorized for support of an agreement
10 or agreements to be levied by the political subdivision for the
11 purpose of supporting that political subdivision's share of revenue
12 required under an agreement or agreements executed pursuant to the
13 Interlocal Cooperation Act or the Joint Public Agency Act. If an
14 allocation by a county would cause another county to exceed its
15 levy authority under this section, the second county may exceed
16 the levy authority in order to levy the amount allocated. Property
17 tax levies for costs of reassumption of the assessment function
18 pursuant to section 77-1340 or 77-1340.04 are not included in the
19 levy limits established in this subsection for fiscal years 2010-11
20 through 2013-14.

21 (9) Municipal counties may levy or authorize a maximum
22 levy of one dollar per one hundred dollars of taxable valuation
23 of property subject to the levy. The municipal county may allocate
24 levy authority to any political subdivision or entity subject to
25 allocation under section 77-3443.

1 (10) Property tax levies for judgments, except judgments
2 or orders from the Commission of Industrial Relations, obtained
3 against a political subdivision which require or obligate a
4 political subdivision to pay such judgment, to the extent such
5 judgment is not paid by liability insurance coverage of a
6 political subdivision, for preexisting lease-purchase contracts
7 approved prior to July 1, 1998, for bonded indebtedness approved
8 according to law and secured by a levy on property except as
9 provided in section 44-4317 for bonded indebtedness issued by
10 educational service units and school districts, and for payments by
11 a public airport to retire interest-free loans from the Department
12 of Aeronautics in lieu of bonded indebtedness at a lower cost to
13 the public airport are not included in the levy limits established
14 by this section.

15 (11) The limitations on tax levies provided in this
16 section are to include all other general or special levies
17 provided by law. Notwithstanding other provisions of law, the
18 only exceptions to the limits in this section are those provided by
19 or authorized by sections 77-3442 to 77-3444.

20 (12) Tax levies in excess of the limitations in this
21 section shall be considered unauthorized levies under section
22 77-1606 unless approved under section 77-3444.

23 (13) For purposes of sections 77-3442 to 77-3444,
24 political subdivision means a political subdivision of this state
25 and a county agricultural society.

1 (14) For school districts that file a binding resolution
2 on or before May 9, 2008, with the county assessors, county clerks,
3 and county treasurers for all counties in which the school district
4 has territory pursuant to subsection (7) of section 79-458, if the
5 combined levies, except levies for bonded indebtedness approved by
6 the voters of the school district and levies for the refinancing
7 of such bonded indebtedness, are in excess of the greater of (a)
8 one dollar and twenty cents per one hundred dollars of taxable
9 valuation of property subject to the levy or (b) the maximum
10 levy authorized by a vote pursuant to section 77-3444, all school
11 district levies, except levies for bonded indebtedness approved by
12 the voters of the school district and levies for the refinancing of
13 such bonded indebtedness, shall be considered unauthorized levies
14 under section 77-1606.

15 Sec. 5. Section 79-527, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 79-527 (1) The superintendent or head administrator of a
18 public school district or a nonpublic school system shall annually
19 report to the Commissioner of Education in such detail and on
20 such date as required by the commissioner the number of students
21 who have dropped out of school, ~~or were for any reason suspended,~~
22 ~~expelled, or excluded from school during the year.~~ School districts
23 that are members of learning communities shall also provide the
24 learning community coordinating council with a copy of ~~the~~ such
25 report ~~to the commissioner~~ on or before the date the report is due

1 to the commissioner. Each learning community coordinating council
2 shall annually report to the commissioner in such detail and on
3 such date as required by the commissioner the number of students
4 who have dropped out of school or were for any reason suspended,
5 expelled, or excluded from school during the year for all of the
6 member school districts. The due date for reports from learning
7 communities shall be established by the commissioner to provide a
8 reasonable period of time for the learning community coordinating
9 councils to compile the information from the member school district
10 reports.

11 (2) The superintendent or head administrator of a public
12 school district or a nonpublic school system shall report on a
13 monthly basis to the Commissioner of Education as directed by the
14 commissioner regarding the number of and reason for any long-term
15 suspension, expulsion, or excessive absenteeism of a student;
16 referral of a student to the office of the county attorney for
17 excessive absenteeism; or contacting of law enforcement officials,
18 other than law enforcement officials employed by or contracted with
19 the school district as school resource officers, by the district or
20 system relative to a student enrolled in the district or system.
21 A school district that is a member of a learning community shall
22 also provide the learning community coordinating council with a
23 copy of such report on or before the date the report is due to the
24 commissioner.

25 Sec. 6. Section 79-528, Revised Statutes Supplement,

1 2009, is amended to read:

2 79-528 (1)(a) On or before July 20 in all school
3 districts, the superintendent shall file with the State Department
4 of Education a report showing the number of children from five
5 through eighteen years of age belonging to the school district
6 according to the census taken as provided in sections 79-524 and
7 79-578. ~~On or before July 20,~~ school districts that are members
8 of learning communities shall provide the learning community
9 coordinating council with a copy of the report filed with
10 the department. ~~On or before August 1,~~ each learning community
11 coordinating council shall file with the department On or before
12 August 31, the department shall issue to each learning community
13 coordinating council a report showing the number of children from
14 five through eighteen years of age belonging to the learning
15 community based on the member school districts according to the
16 school district reports filed with the department.

17 (b) Each Class I school district which is part of a Class
18 VI school district offering instruction (i) in grades kindergarten
19 through five shall report children from five through ten years
20 of age, (ii) in grades kindergarten through six shall report
21 children from five through eleven years of age, and (iii) in grades
22 kindergarten through eight shall report children from five through
23 thirteen years of age.

24 (c) Each Class VI school district offering instruction
25 (i) in grades six through twelve shall report children who are

1 eleven through eighteen years of age, (ii) in grades seven through
2 twelve shall report children who are twelve through eighteen years
3 of age, and (iii) in grades nine through twelve children who are
4 fourteen through eighteen years of age.

5 (d) Each Class I district which has affiliated in whole
6 or in part shall report children from five through thirteen years
7 of age.

8 (e) Each Class II, III, IV, or V district shall report
9 children who are fourteen through eighteen years of age residing in
10 Class I districts or portions thereof which have affiliated with
11 such district.

12 (f) The board of any district neglecting to take and
13 report the enumeration shall be liable to the school district for
14 all school money which such district may lose by such neglect.

15 (2) On or before June 30 the superintendent of each
16 school district shall file with the Commissioner of Education a
17 report described as an end-of-the-school-year annual statistical
18 summary showing (a) the number of children attending school during
19 the year under five years of age, (b) the length of time the
20 school has been taught during the year by a qualified teacher,
21 (c) the length of time taught by each substitute teacher, and (d)
22 such other information as the Commissioner of Education directs.
23 ~~On or before June 30, school districts that are members of~~
24 ~~learning communities shall also provide the learning community~~
25 ~~coordinating council with a copy of the report filed with the~~

1 ~~commissioner. On or before July 15,~~ each learning community
2 ~~coordinating council shall file with the commissioner~~ On or before
3 July 31, the commissioner shall issue to each learning community
4 coordinating council an end-of-the-school-year annual statistical
5 summary for the learning community based on the member school
6 districts according to the school district reports filed with the
7 commissioner.

8 (3) (a) On or before November 1 the superintendent of each
9 school district shall submit to the Commissioner of Education a
10 report described as the annual financial report showing (i) the
11 amount of money received from all sources during the year and
12 the amount of money expended by the school district during the
13 year, (ii) the amount of bonded indebtedness, (iii) such other
14 information as shall be necessary to fulfill the requirements
15 of the Tax Equity and Educational Opportunities Support Act
16 and section 79-1114, and (iv) such other information as the
17 Commissioner of Education directs.

18 (b) ~~On or before November 1,~~ school districts that are
19 ~~members of learning communities shall also provide the learning~~
20 ~~community coordinating council with a copy of the report submitted~~
21 ~~to the commissioner. On or before November 15,~~ each learning
22 ~~community coordinating council shall submit to the commissioner,~~
23 ~~to be filed in his or her office,~~ a report described as the
24 ~~annual financial report~~ On or before December 15, the commissioner
25 shall issue to each learning community coordinating council an

1 annual financial report for the learning community based on the
2 member school districts according to the annual financial reports
3 filed with the commissioner, showing (i) the aggregate amount of
4 money received from all sources during the year for all member
5 school districts and the aggregate amount of money expended by
6 member school districts during the year, (ii) the aggregate amount
7 of bonded indebtedness for all member school districts, (iii)
8 such other aggregate information as shall be necessary to fulfill
9 the requirements of the Tax Equity and Educational Opportunities
10 Support Act and section 79-1114 for all member school districts,
11 and (iv) such other aggregate information as the Commissioner of
12 Education directs for all member school districts.

13 (4) (a) On or before October 15 of each year, the
14 superintendent of each school district shall file with the
15 commissioner the fall school district membership report, which
16 report shall include the number of children from birth through
17 twenty years of age enrolled in the district on the last Friday
18 in September of a given school year. The report shall enumerate
19 (i) students by grade level, (ii) school district levies and total
20 assessed valuation for the current fiscal year, and (iii) such
21 other information as the Commissioner of Education directs.

22 (b) On or before October 15 of each year, ~~school~~
23 ~~districts that are members of learning communities shall also~~
24 ~~provide the learning community coordinating council with a copy~~
25 ~~of the report delivered to the department.~~ each learning community

1 coordinating council shall issue to the department a report which
 2 enumerates the learning community levies pursuant to subdivisions
 3 (2) (b) and (g) of section 77-3442 and total assessed valuation for
 4 the current fiscal year.

5 (c) On or before ~~October 31~~ November 15 of each year,
 6 each learning community coordinating council shall deliver to the
 7 department shall issue to each learning community coordinating
 8 council the fall learning community membership report, which report
 9 shall include the aggregate number of children from birth through
 10 twenty years of age enrolled in the member school districts
 11 on the last Friday in September of a given school year for
 12 all member school districts. The report shall enumerate (i) the
 13 aggregate students by grade level for all member school districts,
 14 (ii) ~~learning community~~ school district levies and total assessed
 15 valuation for the current fiscal year, and (iii) such other
 16 information as the Commissioner of Education directs for all member
 17 school districts.

18 ~~(e)~~ (d) When any school district ~~or learning community~~
 19 fails to submit its fall membership report by November 1, the
 20 commissioner shall, after notice to the district and an opportunity
 21 to be heard, direct that any state aid granted pursuant to the
 22 Tax Equity and Educational Opportunities Support Act be withheld
 23 until such time as the report is received by the department. In
 24 addition, the commissioner shall direct the county treasurer to
 25 withhold all school money belonging to the school district ~~or~~

1 ~~learning community~~ until such time as the commissioner notifies the
2 county treasurer of receipt of such report. The county treasurer
3 shall withhold such money. ~~For school districts that are members~~
4 ~~of learning communities,~~ a determination of school money belonging
5 to the district shall be based on the proportionate share of state
6 aid and property tax receipts allocated to the school district
7 by the learning community coordinating council, and the treasurer
8 of the learning community coordinating council shall withhold any
9 such school money in the possession of the learning community from
10 the school district. If a school district that is a member of
11 a learning community fails to provide a copy of the report to
12 the learning community coordinating council on or before October
13 15, the learning community coordinating council shall complete the
14 fall learning community membership report with information from the
15 reports received from other member school districts.

16 Sec. 7. Section 79-1007.05, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 79-1007.05 For school fiscal year 2008-09 and each school
19 fiscal year thereafter, the department shall determine the focus
20 school and program allowance for each school district in a
21 learning community. The which submits the information required
22 for the calculation on a form prescribed by the department on
23 or before October 15 of the school fiscal year preceding the
24 school fiscal year for which aid is being calculated. Such form
25 may require confirmation from a learning community official that

1 the focus school or program has been approved by the learning
2 community coordinating council for the school fiscal year for
3 which the allowance is being calculated. The focus school and
4 program allowance for each school district in a learning community
5 shall equal the sum of the allowances calculated pursuant to this
6 section for each focus school and focus program operated by the
7 school district for the school fiscal year for which aid is being
8 calculated.

9 For the school fiscal year containing the majority of the
10 first school year that a school or program will be in operation as
11 a focus school or program approved by the learning community and
12 meeting the requirements of section 79-769, the focus school and
13 program allowance for such focus school or program shall equal the
14 statewide average general fund operating expenditures per formula
15 student multiplied by 0.10 then multiplied by the estimated number
16 of students who will be participating in the focus school or
17 program as reported on the form required pursuant to this section.

18 For the school fiscal year containing the majority of the
19 second school year that a school or program will be in operation
20 as a focus school or program approved by the learning community
21 and meeting the requirements of section 79-769, the focus school
22 and program allowance for such focus school or program shall
23 equal the statewide average general fund operating expenditures per
24 formula student multiplied by 0.10 then multiplied by (1) for state
25 aid certified pursuant to section 79-1022, the difference of the

1 product of two multiplied by the number of students participating
2 in the focus school or program as reported on the fall membership
3 report from the school fiscal year immediately preceding the school
4 fiscal year in which the aid is to be paid minus the estimated
5 number of students used in the certification of state aid pursuant
6 to section 79-1022 for the school fiscal year immediately preceding
7 the school fiscal year in which the aid is to be paid and (2) for
8 the final calculation of state aid pursuant to section 79-1065,
9 the difference of the product of two multiplied by the number of
10 students participating in the focus school or program as reported
11 on the annual statistical summary report from the school fiscal
12 year immediately preceding the school fiscal year in which the aid
13 was paid minus the estimated number of students used in the final
14 calculation of state aid pursuant to section 79-1065 for the school
15 fiscal year immediately preceding the school fiscal year in which
16 the aid is to be paid.

17 For the school fiscal year containing the majority of the
18 third school year that a school or program will be in operation
19 as a focus school or program approved by the learning community
20 and meeting the requirements of section 79-769 and each school
21 fiscal year thereafter, the focus school and program allowance for
22 such focus school or program shall equal the statewide average
23 general fund operating expenditures per formula student multiplied
24 by 0.10 then multiplied by the number of students participating in
25 a the focus school or program as reported on the fall membership

1 report from the school fiscal year immediately preceding the
2 school fiscal year in which the aid is to be paid for state aid
3 certified pursuant to section 79-1022 and as reported on the annual
4 statistical summary report from the school fiscal year immediately
5 preceding the school fiscal year in which the aid was paid for the
6 final calculation of state aid pursuant to section 79-1065.

7 Sec. 8. Section 79-1036, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 79-1036 (1) In making the apportionment under section
10 79-1035, the Commissioner of Education shall distribute from
11 the school fund for school purposes, to any and all learning
12 communities and school districts which are not members of a
13 learning community, in which there are situated school lands which
14 have not been sold and transferred by deed or saline lands owned
15 by the state, which lands are being used for a public purpose,
16 an amount in lieu of tax money that would be raised by school
17 district levies and learning community common levies for which the
18 proceeds are distributed to member school districts pursuant to
19 sections 79-1073 and 79-1073.01 if such lands were taxable, to
20 be ascertained in accordance with subsection (2) of this section,
21 except that:

22 (a) For Class I districts or portions thereof which
23 are affiliated and in which there are situated school or saline
24 lands, 38.6207 percent of the in lieu of land tax money calculated
25 pursuant to subsection (2) of this section, based on the affiliated

1 school system tax levy computed pursuant to section 79-1077, shall
2 be distributed to the affiliated high school district and the
3 remainder shall be distributed to the Class I district;

4 (b) For Class I districts or portions thereof which are
5 part of a Class VI district which offers instruction in grades nine
6 through twelve and in which there are situated school or saline
7 lands, 38.6207 percent of the in lieu of land tax money calculated
8 pursuant to subsection (2) of this section, based on the Class VI
9 school system levy computed pursuant to section 79-1078, shall be
10 distributed to the Class VI district and the remainder shall be
11 distributed to the Class I district;

12 (c) For Class I districts or portions thereof which are
13 part of a Class VI district which offers instruction in grades
14 seven through twelve and in which there are situated school or
15 saline lands, 55.1724 percent of the in lieu of land tax money
16 calculated pursuant to subsection (2) of this section, based on the
17 Class VI school system levy computed pursuant to section 79-1078,
18 shall be distributed to the Class VI district and the remainder
19 shall be distributed to the Class I district; and

20 (d) For Class I districts or portions thereof which are
21 part of a Class VI district which offers instruction in grades six
22 through twelve and in which there are situated school or saline
23 lands, 62.0690 percent of the in lieu of land tax money calculated
24 pursuant to subsection (2) of this section, based on the Class VI
25 school system levy computed pursuant to section 79-1078, shall be

1 distributed to the Class VI district and the remainder shall be
2 distributed to the Class I district.

3 (2) The county assessor shall certify to the Commissioner
4 of Education the tax ~~levy for school purposes~~ levies of each school
5 district and learning community in which school land or saline
6 land is located and the last appraised value of such school land,
7 which value shall be the same percentage of the appraised value
8 as the percentage of the assessed value is of market value in
9 subsection (2) of section 77-201 for the purpose of applying the
10 applicable tax ~~levy~~ levies for each district and learning community
11 in determining the distribution to the districts of such amounts.
12 The school board of any school district and the learning community
13 coordinating council of any learning community in which there is
14 located any leased or undeeded school land or saline land subject
15 to this section may appeal to the Board of Educational Lands and
16 Funds for a reappraisal of such school land if such school
17 board or learning community coordinating council deems the land
18 not appraised in proportion to the value of adjoining land of the
19 same or similar value. The Board of Educational Lands and Funds
20 shall proceed to investigate the facts involved in such appeal
21 and, if the contention of the school board or learning community
22 coordinating council is correct, make the proper reappraisal.
23 The value calculation in this subsection shall be used by the
24 Commissioner of Education for making distributions in each school
25 fiscal year.

1 Sec. 9. Section 79-1073, Revised Statutes Supplement,
2 2009, is amended to read:

3 79-1073 On or before September 1 for each year, each
4 learning community coordinating council shall determine the
5 expected amounts to be distributed by the county treasurers to
6 each member school district from general fund property tax receipts
7 pursuant to subdivision (2) (b) of section 77-3442 and shall certify
8 such amounts to each member school district, the county treasurer
9 for each county containing territory in the learning community,
10 and the State Department of Education. Such property tax receipts
11 shall be divided among member school districts proportionally based
12 on the difference of the school district's formula need calculated
13 pursuant to section 79-1007.11 minus the sum of the state aid
14 certified pursuant to section 79-1022 and the other actual receipts
15 included in local system formula resources pursuant to section
16 79-1018.01 for the school fiscal year for which the distribution
17 is being made.

18 Each time the county treasurer distributes property tax
19 receipts from the common general fund levy to member school
20 districts, the amount to be distributed to each district shall
21 be proportional based on the total amounts to be distributed to
22 each member school district for the school fiscal year. Each time
23 the county treasurer certifies a property tax refund pursuant to
24 section 77-1736.06 based on the common general fund levy for member
25 school districts or any entity issues an in lieu of property tax

1 reimbursement based on the common general fund levy for member
2 school districts, including amounts paid pursuant to sections
3 70-651.01 and 79-1036, the amount to be certified or reimbursed to
4 each district shall be proportional on the same basis as property
5 tax receipts from such levy are distributed to member school
6 districts.

7 Sec. 10. Section 79-1073.01, Revised Statutes Supplement,
8 2009, is amended to read:

9 79-1073.01 Amounts levied by learning communities for
10 special building funds for member school districts pursuant to
11 subdivision (2)(g) of section 77-3442 shall be distributed by the
12 county treasurer collecting such levy proceeds to all member school
13 districts proportionally based on the formula students used in the
14 most recent certification of state aid pursuant to section 79-1022.
15 Each time the county treasurer certifies a property tax refund
16 pursuant to section 77-1736.06 based on the levy of a learning
17 community for special building funds for members school districts
18 or any entity issues an in lieu of property tax reimbursement
19 based on the levy of a learning community for special building
20 funds for member school districts, including amounts paid pursuant
21 to sections 70-651.01 and 79-1036, the amount to be certified or
22 reimbursed to each district shall be proportional on the same basis
23 as property tax receipts from such levy are distributed to member
24 school districts.

25 Any amounts distributed pursuant to this section shall be

1 used by the member school districts for special building funds.

2 Sec. 11. Section 79-1241.03, Revised Statutes Supplement,
3 2009, is amended to read:

4 79-1241.03 ~~For school fiscal year 2008-09 and each school~~
5 ~~fiscal year thereafter.~~

6 (1) ~~One~~ Two percent of the funds appropriated for core
7 services and technology infrastructure shall be transferred to
8 the Educational Service Unit Coordinating Council. The remainder
9 of such funds shall be distributed pursuant to ~~subdivisions~~
10 subsections (2) through (6) of this section. ~~+~~

11 (2) (a) The distance education and telecommunications
12 allowance for each educational service unit shall equal eighty-five
13 percent of the difference of the costs for telecommunications
14 services, for access to data transmission networks that transmit
15 data to and from the educational service unit, and for the
16 transmission of data on such networks paid by the educational
17 service unit as reported on the annual financial report for the
18 most recently available complete data year minus the receipts from
19 the federal Universal Service Fund pursuant to 47 U.S.C. 254,
20 as such section existed on January 1, 2007, for the educational
21 service unit as reported on the annual financial report for the
22 most recently available complete data year and minus any receipts
23 from school districts or other educational entities for payment
24 of such costs as reported on the annual financial report of the
25 educational service unit. ~~+~~

1 (b) The base allocation of each educational service unit
2 shall equal two and one-half percent of the funds appropriated for
3 distribution pursuant to this section.~~+~~

4 (c) The satellite office allocation for each educational
5 service unit shall equal one percent of the funds appropriated
6 for distribution pursuant to this section for each office of
7 the educational service unit, except the educational service unit
8 headquarters, up to the maximum number of satellite offices. The
9 maximum number of satellite offices used for the calculation of
10 the satellite office allocation for any educational service unit
11 shall equal the difference of the ratio of the number of square
12 miles within the boundaries of the educational service unit divided
13 by four thousand minus one with the result rounded to the closest
14 whole number.~~+~~

15 (d) The statewide adjusted valuation shall equal the
16 total adjusted valuation for all member districts of educational
17 service units pursuant to section 79-1016 used for the calculation
18 of state aid for school districts pursuant to the Tax Equity and
19 Educational Opportunities Support Act for the school fiscal year
20 for which the distribution is being calculated pursuant to this
21 section.~~+~~

22 (e) The adjusted valuation for each educational service
23 unit shall equal the total adjusted valuation of the member school
24 districts pursuant to section 79-1016 used for the calculation of
25 state aid for school districts pursuant to the act for the school

1 fiscal year for which the distribution is being calculated pursuant
 2 to this section, except that such adjusted valuation for member
 3 school districts that are also member districts of a learning
 4 community shall be reduced by ~~fifty percent.~~ fifty percent for
 5 school fiscal years 2008-09 and 2009-10, thirty percent for school
 6 fiscal year 2010-11, and ten percent for each school fiscal year
 7 thereafter. The adjusted valuation for each learning community
 8 shall equal fifty percent, for school fiscal years 2008-09 and
 9 2009-10, thirty percent, for school fiscal year 2010-11, and ten
 10 percent, for each school fiscal year thereafter, of the total
 11 adjusted valuation of the member school districts pursuant to
 12 section 79-1016 used for the calculation of state aid for school
 13 districts pursuant to the act for the school fiscal year for which
 14 the distribution is being calculated pursuant to this section.

15 (f) The local effort rate shall equal \$0.0135 per one
 16 hundred dollars of adjusted valuation.

17 (g) ~~Except as provided in subdivision (5) of this~~
 18 ~~section,~~ The statewide student allocation shall equal the
 19 difference of the sum of the amount appropriated for distribution
 20 pursuant to this section plus the product of the statewide adjusted
 21 valuation multiplied by the local effort rate minus the distance
 22 education and telecommunications allowance, base allocation, and
 23 satellite office allocation for all educational service units, and
 24 minus any adjustments required by subsection (5) of this section.

25 (h) The sparsity adjustment for each educational service

1 unit and learning community shall equal the sum of one plus
2 one-tenth of the ratio of the square miles within the boundaries
3 of the educational service unit divided by the fall membership of
4 the member school districts for the school fiscal year immediately
5 preceding the school fiscal year for which the distribution is
6 being calculated pursuant to this section.†

7 (i) The adjusted students for each educational service
8 unit shall equal the fall membership for the school fiscal year
9 immediately preceding the school fiscal year for which aid is
10 being calculated of the member school districts that will not
11 be members of a learning community and fifty percent, for school
12 fiscal years 2008-09 and 2009-10, seventy percent, for school
13 fiscal year 2010-11, and ninety percent, for each school fiscal
14 year thereafter, of the fall membership for such school fiscal year
15 of the member school districts that will be members of a learning
16 community pursuant to this section multiplied by the sparsity
17 adjustment for the educational service unit, and the adjusted
18 students for each learning community shall equal fifty percent, for
19 school fiscal years 2008-09 and 2009-10, thirty percent, for school
20 fiscal year 2010-11, and ten percent, for each school fiscal year
21 thereafter, of the fall membership for such school fiscal year of
22 the member school districts multiplied by the sparsity adjustment
23 for the learning community.†

24 (j) The per student allocation shall equal the statewide
25 student allocation divided by the total adjusted students for all

1 educational service units and learning communities_+

2 (k) The student allocation for each educational service
3 unit and learning community shall equal the per student allocation
4 multiplied by the adjusted students for the educational service
5 unit or learning community_+

6 (l) The needs for each educational service unit shall
7 equal the sum of the distance education and telecommunications
8 allowance, base allocation, satellite office allocation, and
9 student allocation for the educational service unit and the needs
10 for each learning community shall equal the student allocation for
11 the learning community_+ and

12 (m) The distribution of core services and technology
13 infrastructure funds for each educational service unit and learning
14 community shall equal the needs for each educational service unit
15 or learning community minus the product of the adjusted valuation
16 for the educational service unit or learning community multiplied
17 by the local effort rate_+

18 (3) If an educational service unit is the result of
19 a merger or received new member school districts from another
20 educational service unit, ~~such~~ the educational service unit shall
21 be considered a new educational service unit for purposes of this
22 section. For each new educational service unit, the needs minus
23 the distance education and telecommunications allowance for such
24 new educational service unit shall, for each of the three fiscal
25 years following the fiscal year in which the merger takes place or

1 the new member school districts are received, ~~receive core services~~
2 ~~and technology infrastructure funds pursuant to subdivisions (2)~~
3 ~~through (6) of this section in equal~~ an amount not less than
4 the ~~core services and technology infrastructure funds received~~
5 ~~in~~ needs minus the distance education and telecommunications
6 allowance for the portions of the educational service units
7 transferred to the new educational service unit for the fiscal
8 year immediately preceding the merger or receipt of new member
9 school districts, except that if the total amount available to be
10 distributed pursuant to ~~subdivisions~~ subsections (2) through (6)
11 of this section for ~~such year~~ the year for which needs are being
12 calculated is less than the total amount distributed pursuant
13 to such ~~subdivisions or section 79-1243~~ for the immediately
14 preceding fiscal year, the minimum ~~core services and technology~~
15 ~~infrastructure funds~~ subsections for the fiscal year immediately
16 preceding the merger or receipt of new member school districts, the
17 minimum needs minus the distance education and telecommunications
18 allowance for each educational service unit pursuant to this
19 ~~subdivision~~ subsection shall be reduced by a percentage equal
20 to the ratio of ~~the difference of the total amount distributed~~
21 ~~pursuant to subdivisions (2) through (6) of this section or section~~
22 ~~79-1243 for the immediately preceding fiscal year minus the total~~
23 ~~amount available to be distributed pursuant to subdivisions (2)~~
24 ~~through (6) of this section for the fiscal year in question~~
25 such difference divided by the total amount distributed pursuant

1 to ~~subdivisions~~ subsections (2) through (6) of this section ~~or~~
 2 ~~section 79-1243 for the immediately preceding fiscal year. The core~~
 3 ~~services and technology infrastructure funds received in~~ for the
 4 fiscal year immediately preceding the merger or receipt of new
 5 member school districts. The needs minus the distance education
 6 and telecommunications allowance for the portions of educational
 7 service units transferred to the new educational service unit
 8 for the fiscal year immediately preceding a merger or receipt
 9 of new member school districts ~~for an educational service unit~~
 10 shall equal the amount received in needs minus the distance
 11 education and telecommunications allowance calculated for such
 12 fiscal year pursuant to ~~subdivisions~~ subsections (2) through (6)
 13 of this section ~~or section 79-1243 by~~ for any educational service
 14 unit affected by the merger or the transfer of school districts
 15 multiplied by a ratio equal to the valuation that was transferred
 16 to ~~or retained by the~~ new educational service unit for which the
 17 minimum is being calculated divided by the total valuation of the
 18 educational service unit transferring ~~or retaining~~ the territory.

19 (4) For fiscal years ~~2008-09~~ 2010-11 through 2013-14,
 20 each educational service unit which will not have any member
 21 school districts that are members of a learning community shall
 22 receive core services and technology infrastructure funds under
 23 this section in an amount not less than ninety-five percent of
 24 the total of the core services and technology infrastructure funds
 25 that the educational service unit received in the immediately

1 preceding fiscal year either pursuant to subdivisions ~~(2)~~ through
 2 ~~(6)~~ of this section or pursuant to section 79-1243, have needs
 3 minus the distance education and telecommunications allowance
 4 equal to an amount not less than ninety-five percent of the
 5 needs minus the distance education and telecommunications allowance
 6 for the immediately preceding fiscal year, except that if the
 7 total amount available to be distributed pursuant to subdivisions
 8 subsections (2) through (6) of this section for such year the
 9 year for which needs are being calculated is less than the
 10 total amount distributed pursuant to such subdivisions or section
 11 79-1243 subsections for the immediately preceding fiscal year,
 12 the minimum core services and technology infrastructure funds
 13 needs minus the distance education and telecommunications allowance
 14 for each educational service unit pursuant to this subdivision
 15 subsection shall be reduced by a percentage equal to the ratio
 16 of the difference of the total amount distributed pursuant to
 17 subdivisions ~~(2)~~ through ~~(6)~~ of this section or section 79-1243
 18 for the immediately preceding fiscal year minus the total amount
 19 available to be distributed pursuant to subdivisions ~~(2)~~ through
 20 ~~(6)~~ of this section for the fiscal year in question such difference
 21 divided by the total amount distributed pursuant to subdivisions
 22 subsections (2) through (6) of this section, or section 79-1243 for
 23 the immediately preceding fiscal year.

24 (5) If the minimum core services and technology
 25 infrastructure funds pursuant to subdivision needs minus the

1 distance education and telecommunications allowance pursuant to
 2 subsection (3) or (4) of this section for any educational service
 3 unit ~~exceed~~ exceeds the amount that would otherwise be ~~distributed~~
 4 ~~to~~ calculated for such educational service unit pursuant to
 5 ~~subdivision~~ subsection (2) of this section, the statewide student
 6 allocation shall be reduced such that the total amount to be
 7 distributed pursuant to this section equals the appropriation
 8 for core services and technology infrastructure funds and no
 9 educational service unit ~~receives~~ has needs minus the distance
 10 education and telecommunications allowance less than the greater of
 11 any minimum amounts calculated for such educational service unit
 12 pursuant to ~~subdivisions~~ subsections (3) and (4) of this section,
 13 and

14 (6) The State Department of Education shall certify the
 15 distribution of core services and technology infrastructure funds
 16 pursuant to ~~subdivisions~~ subsections (2) through (6) of this
 17 section to each educational service unit and learning community
 18 on or before July 1, 2008, ~~for school fiscal year 2008-09 and on~~
 19 ~~or before July 1 of each year thereafter~~ of each year for the
 20 following school fiscal year. Any Except as otherwise provided in
 21 this subsection, any funds appropriated for distribution pursuant
 22 to this section shall be distributed in ten as nearly as possible
 23 equal payments on the first business day of each month beginning
 24 in September of each school fiscal year and ending in June. Funds
 25 to be distributed to a learning community in school fiscal year

1 2010-11 shall be distributed in ten payments on the first business
2 day of each month beginning in September 2010 and ending in June
3 2011, with each of the first five payments equal as nearly as
4 possible to seventeen percent of the amount to be distributed and
5 with each of the last five payments equal as nearly as possible to
6 three percent of the amount to be distributed. Funds distributed
7 to educational service units pursuant to this section shall be
8 used for core services and technology infrastructure with the
9 approval of representatives of two-thirds of the member school
10 districts of the educational service unit, representing a majority
11 of the adjusted students in the member school districts used in
12 calculations pursuant to this section for such funds. The valuation
13 of individual school districts shall not be considered in the
14 utilization of such core services or technology infrastructure
15 funds by member school districts for funds received after July
16 1, 2010. Funds distributed to learning communities on or before
17 January 15, 2011, shall be used for learning community purposes
18 ~~pursuant to sections 79-2104 and 79-2115,~~ with the approval of
19 the learning community coordinating council. Funds distributed to
20 learning communities after January 15, 2011, shall be used for
21 evaluation and research pursuant to section 17 of this act with the
22 approval of the learning community coordinating council.

23 (7) For purposes of this section, the determination
24 of whether or not a school district will be a member of an
25 educational service unit or a learning community shall be based on

1 the information available May 1 for the following school fiscal
2 year.

3 Sec. 12. Section 79-1242, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 79-1242 Funds generated from the property tax levy shall
6 only be used for purposes approved by representatives of two-thirds
7 of the member school districts in an educational service unit,
8 representing a majority of the students in the member school
9 districts. The valuation of individual school districts shall not
10 be considered in the utilization of such funds received after
11 July 1, 2010. Each educational service unit shall prepare and
12 transmit a written proposal of core services offerings and use
13 of the property tax levy to all member school districts. The
14 member school districts through their designated representatives
15 shall indicate their approval or disapproval of the proposal within
16 thirty calendar days after receipt of the proposal, and failure to
17 so indicate within such time period shall be deemed approval of the
18 proposal.

19 Sec. 13. Section 79-2104, Revised Statutes Supplement,
20 2009, is amended to read:

21 79-2104 A learning community coordinating council shall
22 have the authority to:

23 (1) Levy a common levy for the general funds of member
24 school districts pursuant to sections 77-3442 and 79-1073;

25 (2) Levy a common levy for the special building funds

1 of member school districts pursuant to sections 77-3442 and
2 79-1073.01;

3 (3) Levy for elementary learning center facility leases,
4 for remodeling of leased elementary learning center facilities, and
5 for up to fifty percent of the estimated cost for focus school
6 or program capital projects approved by the learning community
7 coordinating council pursuant to sections subdivision (2)(h) of
8 section 77-3442 and section 79-2111;

9 (4) Levy for elementary learning center employees, for
10 contracts with other entities or individuals who are not employees
11 of the learning community for elementary learning center programs
12 and services, and for pilot projects pursuant to subdivision (2)(i)
13 of section 77-3442, except that not more than ten percent of such
14 levy may be used for elementary learning center employees.

15 ~~(4)~~ (5) Collect, analyze, and report data and
16 information, including, but not limited to, information provided by
17 a school district pursuant to subsection (5) of section 79-201;

18 ~~(5)~~ (6) Approve focus schools and focus programs to be
19 operated by member school districts;

20 ~~(6)~~ (7) Adopt, approve, and implement a diversity plan
21 which shall include open enrollment and may include focus schools,
22 focus programs, magnet schools, and pathways pursuant to section
23 79-2110;

24 ~~(7)~~ (8) Administer the open enrollment provisions in
25 section 79-2110 for the learning community as part of a diversity

1 plan developed by the council to provide educational opportunities
2 which will result in increased diversity in schools across the
3 learning community;

4 ~~(8)~~ (9) Annually conduct school fairs to provide
5 students and parents the opportunity to explore the educational
6 opportunities available at each school in the learning community
7 and develop other methods for encouraging access to such
8 information and promotional materials;

9 ~~(9)~~ (10) Develop and approve reorganization plans for
10 submission pursuant to the Learning Community Reorganization Act;

11 ~~(10)~~ (11) Establish and administer elementary learning
12 centers through achievement subcouncils pursuant to sections
13 79-2112 to 79-2114;

14 ~~(11)~~ (12) Administer the learning community funds
15 distributed to the learning community pursuant to section 79-2111;

16 ~~(12)~~ (13) Approve or disapprove poverty plans and limited
17 English proficiency plans for member school districts through
18 achievement subcouncils established under section 79-2117;

19 ~~(13)~~ (14) Establish a procedure for receiving community
20 input and complaints regarding the learning community; and

21 ~~(14)~~ (15) Establish a procedure to assist parents,
22 citizens, and member school districts in accessing an approved
23 center pursuant to the Dispute Resolution Act to resolve disputes
24 involving member school districts or the learning community. Such
25 procedure may include payment by the learning community for some

1 mediation services; ~~and-~~

2 (16) Establish and administer pilot projects related
3 to enhancing the academic achievement of elementary students,
4 particularly students who face challenges in the educational
5 environment due to factors such as poverty, limited English skills,
6 and mobility.

7 Sec. 14. Section 79-2110, Revised Statutes Supplement,
8 2009, is amended to read:

9 79-2110 (1)(a) Each diversity plan shall provide for
10 open enrollment in all school buildings in the learning community,
11 subject to specific limitations necessary to bring about diverse
12 enrollments in each school building in the learning community.
13 Such limitations, for school buildings other than focus schools and
14 programs other than focus programs, shall include giving preference
15 at each school building first to siblings of students who will
16 be enrolled as continuing students in such school building or
17 program for the first school year for which enrollment is sought
18 in such school building and then to students that contribute to
19 the socioeconomic diversity of enrollment at each building and may
20 include establishing zone limitations in which students may access
21 several schools other than their home attendance area school.
22 Notwithstanding the limitations necessary to bring about diversity,
23 open enrollment shall include providing access to students who
24 do not contribute to the socioeconomic diversity of a school
25 building, if, subsequent to the open enrollment selection process

1 that is subject to limitations necessary to bring about diverse
2 enrollments, capacity remains in a school building. In such a case,
3 students who have applied to attend such school building shall be
4 selected to attend such school building on a random basis up to the
5 remaining capacity of such building. A student who has otherwise
6 been disqualified from the school building pursuant to the school
7 district's code of conduct or related school discipline rules shall
8 not be eligible for open enrollment pursuant to this section. Any
9 student who attended a particular school building in the prior
10 school year and who is seeking education in the grades offered in
11 such school building shall be allowed to continue attending such
12 school building as a continuing student.

13 (b) To facilitate the open enrollment provisions of
14 this subsection, each school year each member school district
15 in a learning community shall establish a maximum capacity for
16 each school building under such district's control pursuant to
17 procedures and criteria established by the learning community
18 coordinating council. Each member school district shall also
19 establish attendance areas for each school building under the
20 district's control, except that the school board shall not
21 establish attendance areas for focus schools or focus programs.
22 The attendance areas shall be established such that all of the
23 territory of the school district is within an attendance area for
24 each grade. Students residing in a school district shall be allowed
25 to attend a school building in such school district.

1 (c) For purposes of this section and sections 79-238 and
2 79-611, student who contributes to the socioeconomic diversity of
3 enrollment means (i) a student who does not qualify for free or
4 reduced-price lunches when, based upon the certification pursuant
5 to section 79-2120, the school building the student will attend
6 has more students qualifying for free or reduced-price lunches than
7 the average percentage of such students in all school buildings in
8 the learning community or (ii) a student who qualifies for free or
9 reduced-price lunches when, based upon the certification pursuant
10 to section 79-2120, the school building the student will attend has
11 fewer students qualifying for free or reduced-price lunches than
12 the average percentage of such students in all school buildings in
13 the learning community.

14 (2)(a) On or before March 15 of each year beginning
15 with the year immediately following the year in which the initial
16 coordinating council for the learning community takes office, a
17 parent or guardian of a student residing in a member school
18 district in a learning community may submit an application to any
19 school district in the learning community on behalf of a student
20 who is applying to attend a school building for the following
21 school year that is not in an attendance area where the applicant
22 resides or a focus school, focus program, or magnet school as
23 such terms are defined in section 79-769. On or before April 1
24 of each year beginning with the year immediately following the
25 year in which the initial coordinating council for the learning

1 community takes office, the school district shall accept or reject
2 such applications based on the capacity of the school building, the
3 eligibility of the applicant for the school building or program,
4 the number of such applicants that will be accepted for a given
5 school building, and whether or not the applicant contributes to
6 the socioeconomic diversity of the school or program to which he
7 or she has applied and for which he or she is eligible. The school
8 district shall notify such parent or guardian in writing of the
9 acceptance or rejection.

10 (b) A parent or guardian may provide information on
11 the application regarding the applicant's potential qualification
12 for free or reduced-price lunches. Any such information provided
13 shall be subject to verification and shall only be used for the
14 purposes of this section. Nothing in this section requires a parent
15 or guardian to provide such information. Determinations about an
16 applicant's qualification for free or reduced-price lunches for
17 purposes of this section shall be based on any verified information
18 provided on the application. If no such information is provided the
19 student shall be presumed not to qualify for free or reduced-price
20 lunches for the purposes of this section.

21 (c) A student may not apply to attend a school building
22 in the learning community for any grades that are offered by
23 another school building for which the student had previously
24 applied and been accepted pursuant to this section, absent
25 a hardship exception as established by the individual school

1 district. On or before September 1 of each year beginning with
2 the year immediately following the year in which the initial
3 coordinating council for the learning community takes office,
4 each school district shall provide to the learning community
5 coordinating council a complete and accurate report of all
6 applications received, including the number of students who applied
7 at each grade level at each building, the number of students
8 accepted at each grade level at each building, the number of
9 such students that contributed to the socioeconomic diversity that
10 applied and were accepted, the number of applicants denied and the
11 rationales for denial, and other such information as requested by
12 the learning community coordinating council.

13 (3) Each diversity plan may also include establishment of
14 one or more focus schools or focus programs and the involvement
15 of every member school district in one or more pathways across
16 member school districts. Enrollment in each focus school or focus
17 program shall be designed to reflect the socioeconomic diversity
18 of the learning community as a whole. School district selection of
19 students for focus schools or focus programs shall be on a random
20 basis from two pools of applicants, those who qualify for free
21 and reduced-price lunches and those who do not qualify for free
22 and reduced-price lunches. The percentage of students selected for
23 focus schools from the pool of applicants who qualify for free
24 and reduced-price lunches shall be as nearly equal as possible
25 to the percentage of the student body of the learning community

1 who qualify for free and reduced-price lunches. The percentage of
2 students selected for focus schools from the pool of applicants
3 who do not qualify for free and reduced-price lunches shall be
4 as nearly equal as possible to the percentage of the student
5 body of the learning community who do not qualify for free and
6 reduced-price lunches. If more capacity exists in a focus school
7 or program than the number of applicants for such focus school
8 or program that contribute to the socioeconomic diversity of the
9 focus school or program, the school district shall randomly select
10 applicants up to the number of applicants that will be accepted
11 for such building. A student who will complete the grades offered
12 at a focus program, focus school, or magnet school that is part
13 of a pathway shall be allowed to attend the focus program, focus
14 school, or magnet school offering the next grade level as part of
15 the pathway as a continuing student. A student who completes the
16 grades offered at a focus program, focus school, or magnet school
17 shall ~~not be considered a continuing student~~ be allowed to attend
18 a school offering the next grade level in the school district
19 responsible for the ~~program or school.~~ focus program, focus school,
20 or magnet school as a continuing student. A student who attended
21 a program or school in the school year immediately preceding the
22 first school year for which the program or school will operate as
23 a focus program or focus school approved by the learning community
24 and meeting the requirements of section 79-769 and who has not
25 completed the grades offered at the focus program or focus school

1 shall be a continuing student in the program or school.

2 (4) On or before February 15 of each year beginning
3 with the year immediately following the year in which the initial
4 coordinating council for the learning community takes office, a
5 parent or guardian of a student who is currently attending a school
6 building or program, except a magnet school, focus school, or focus
7 program, outside of the attendance area where the student resides
8 and who will complete the grades offered at such school building
9 prior to the following school year shall provide notice, on a form
10 provided by the school district, to the school board of the school
11 district containing such school building if such student will
12 attend another school building within such district as a continuing
13 student and which school building such student would prefer to
14 attend. On or before March 1, such school board shall provide a
15 notice to such parent or guardian stating which school building or
16 buildings the student shall be allowed to attend in such school
17 district as a continuing student for the following school year. If
18 the student resides within the school district, the notice shall
19 include the school building offering the grade the student will
20 be entering for the following school year in the attendance area
21 where the student resides. This subsection shall not apply to focus
22 schools or programs.

23 (5) A parent or guardian of a student who moves to a
24 new residence in the learning community after April 1 may apply
25 directly to a school board within the learning community within

1 ninety days after moving for the student to attend a school
2 building outside of the attendance area where the student resides.
3 Such school board shall accept or reject such application within
4 fifteen days after receiving the application, based on the number
5 of applications and qualifications pursuant to subsection (2) or
6 (3) of this section for all other students.

7 (6) A parent or guardian of a student who wishes to
8 change school buildings for emergency or hardship reasons may apply
9 directly to a school board within the learning community at any
10 time for the student to attend a school building outside of the
11 attendance area where the student resides. Such application shall
12 state the emergency or hardship and shall be kept confidential by
13 the school board. Such school board shall accept or reject such
14 application within fifteen days after receiving the application.
15 Applications shall only be accepted if an emergency or hardship
16 was presented which justifies an exemption from the procedures
17 in subsection (4) of this section based on the judgment of such
18 school board, and such acceptance shall not exceed the number of
19 applications that will be accepted for the school year pursuant to
20 subsection (2) or (3) of this section for such building.

21 Sec. 15. Section 79-2111, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 79-2111 (1) A learning community may levy a maximum
24 levy pursuant to subdivision (2)(h) of section 77-3442 for ~~the~~
25 ~~purchase, construction, or remodeling~~ of elementary learning center

1 facility leases, for remodeling of leased elementary learning
2 center facilities, and for up to fifty percent of the estimated
3 costs for focus school or program capital projects approved
4 pursuant to this section. The proceeds from such levy shall be
5 used for elementary learning center facility leases, for remodeling
6 of leased elementary learning center facilities, and for one-time
7 ~~reductions of~~ to reduce the bonded indebtedness required for
8 approved projects by up to fifty percent of the estimated cost
9 of the approved project. The funds used for reductions of bonded
10 indebtedness shall be transferred to the school district for which
11 the project was approved and shall be deposited in such school
12 district's special building fund for use on such project.

13 (2) The learning community may approve pursuant to this
14 section funding for capital projects which will include the
15 purchase, construction, or remodeling of facilities for a focus
16 school or program designed to meet the requirements of section
17 79-769. Such approval shall include an estimated cost for the
18 project and shall state the amount that will be provided by the
19 learning community for such project.

20 (3) If, within the ten years following receipt of the
21 funding for a capital project pursuant to this section, a school
22 district receiving such funding uses the facility purchased,
23 constructed, or remodeled with such funding for purposes other
24 than those stated to qualify for the funds, the school district
25 shall repay such funds to the learning community with interest at

1 the rate prescribed in section 45-104.02 accruing from the date
2 the funds were transferred to the school district's building fund
3 as of the last date the facility was used for such purpose as
4 determined by the learning community coordinating council or the
5 date that the learning community coordinating council determines
6 that the facility will not be used for such purpose or that
7 such facility will not be purchased, constructed, or remodeled
8 for such purpose. Interest shall continue to accrue on outstanding
9 balances until the repayment has been completed. The remaining
10 terms of repayment shall be determined by the learning community
11 coordinating council. The learning community coordinating council
12 may waive such repayment if the facility is used for a different
13 focus school or program for a period of time that will result in
14 the use of the facility for qualifying purposes for a total of at
15 least ten years.

16 Sec. 16. Section 79-2112, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 79-2112 (1) Elementary learning centers shall serve as
19 visionary resource centers for enhancing the academic success
20 of elementary students, particularly those students who face
21 challenges in the educational environment due to factors such
22 as poverty, limited English skills, and mobility. Each learning
23 community coordinating council shall provide for a system of
24 elementary learning centers to be administered by an elementary
25 learning center executive director.

1 (2) The elementary learning center executive director
2 shall be appointed by the learning community coordinating council.
3 The executive director shall be a person well equipped to work
4 with populations in poverty and to analyze effective methods for
5 assisting and encouraging such populations to access the programs
6 offered by elementary learning centers. The elementary learning
7 center executive director shall serve for a term of six years,
8 unless removed by a vote of two-thirds of the members of the
9 learning community coordinating council upon their determination
10 that he or she has become incapacitated or has been guilty of
11 neglect of duty or misconduct. If the position of elementary
12 learning center executive director becomes vacant for any cause, a
13 temporary elementary learning center executive director may serve
14 for up to one year until an elementary learning center executive
15 director has been appointed for a full term. The elementary
16 learning center executive director shall receive such salary as is
17 set by the learning community coordinating council.

18 (3) The elementary learning center executive director may
19 select, appoint, and compensate as he or she sees fit, within the
20 amount provided by the learning community coordinating council,
21 such noncertificated assistants and noncertificated employees as
22 he or she deems necessary to discharge the responsibilities under
23 sections 79-2112 to 79-2114. Such assistants and employees shall be
24 subject to the control and supervision of the elementary learning
25 center executive director.

1 Sec. 17. Each learning community coordinating council
2 shall use any funds received after January 15, 2011, pursuant
3 to section 79-1241.03 for evaluation and research pursuant to
4 plans developed by the learning community coordinating council
5 with assistance from the educational service unit coordinating
6 council and the student achievement coordinator and adjusted on
7 an ongoing basis. The evaluation shall be conducted by one or
8 more other entities or individuals who are not employees of
9 the learning community and shall measure progress toward the
10 goals and objectives of the learning community, which goals and
11 objectives shall include closing academic achievement gaps based on
12 socioeconomic status, and the effectiveness of the approaches used
13 by the learning community or pilot project to reach such goals and
14 objectives. Any research conducted pursuant to this section shall
15 also be related to such goals and objectives. After the first full
16 year of operation, each learning community shall report evaluation
17 and research results to the Education Committee of the Legislature
18 on or before December 1 of each year.

19 Sec. 18. Section 79-2115, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 79-2115 (1) Learning community funds distributed pursuant
22 to section 79-2103 may be used by the learning community
23 coordinating council receiving the funds for:

24 (a) The administration and operation of the learning
25 community;

1 (b) The administration, operations, and programs of
2 elementary learning centers pursuant to sections 79-2112 to
3 79-2114;

4 (c) Supplements for extended hours to teachers in
5 elementary schools in which at least thirty-five percent of the
6 students attending the school who reside in the attendance area of
7 such school qualify for free or reduced-price lunches;

8 (d) Transportation for parents of elementary students who
9 qualify for free or reduced-price lunches to school functions of
10 such students in elementary schools;

11 (e) Up to six social workers to provide services through
12 the elementary learning centers; and

13 (f) ~~Pilot projects related to enhancing the academic~~
14 ~~achievement of elementary students, particularly students who face~~
15 ~~challenges in the educational environment due to factors such as~~
16 ~~poverty, limited English skills, and mobility.~~ authorized pursuant
17 to section 79-2104.

18 (2) Each learning community coordinating council shall
19 adopt policies and procedures for granting supplements for extended
20 hours and for providing transportation for parents if any such
21 funds are to be used for such purposes. An example of a pilot
22 project that could receive such funds would be a school designated
23 as Jump Start Center focused on providing intensive literacy
24 services for elementary students with low reading scores.

25 (3) A Each learning community coordinating council shall

1 provide for financial audits and evaluations of effectiveness of
2 elementary learning centers and pilot projects, receiving funds
3 pursuant to this section. A learning community coordinating council
4 shall serve as the recipient of private funds donated to support
5 any elementary learning center or pilot project receiving funds
6 pursuant to this section from such learning community coordinating
7 council and shall assure that the use of such private funds is
8 included in the financial audits required pursuant to this section.

9 Sec. 19. The Revisor of Statutes shall assign section 17
10 of this act within Chapter 79, article 21.

11 Sec. 20. Original sections 70-651.04, 77-1736.06,
12 77-3442, 79-527, 79-1007.05, 79-1036, 79-1242, 79-2111, 79-2112,
13 and 79-2115, Reissue Revised Statutes of Nebraska, and sections
14 32-546.01, 79-528, 79-1073, 79-1073.01, 79-1241.03, 79-2104, and
15 79-2110, Revised Statutes Supplement, 2009, are repealed.

16 Sec. 21. Since an emergency exists, this act takes effect
17 when passed and approved according to law.